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January 16, 2002

VIA ELECTRONIC FILING

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: Ex Parte - Federal-State Joint Board on Universal Service, CC Docket No. 96-45; 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, CC Docket No. 98-171; Telecommunications Services for Individuals with Hearing Speech Disabilities and the Americans with Disabilities Act of 1990, CC Docket No. 90-571; Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size, CC Docket No. 92-237, NSD File No. L-00-72; Number Resource Optimization, CC Docket No. 99-200; and Telephone Number Portability, CC Docket No. 95-116.

Dear Ms. Salas,

Yesterday, January 15, 2002, the second page of an ex parte letter filed in the above mentioned proceedings was inadvertently omitted from the filing. Attached is the entire letter.

Consistent with the Commission rules, I am filing one electronic copy of this notice and request that you place it in the record of the proceedings.

Sincerely,

A handwritten signature in cursive script that reads "Robert W. Quinn, Jr.".

Attachment

cc: Chairman Michael Powell
Kyle Dixon, Legal Adviser to Chairman Powell
Commissioner Kathleen Abernathy
Matthew Brill, Legal Adviser to Commissioner Abernathy
Commissioner Michael Copps
Jordan Goldstein, Legal Adviser to Commissioner Copps
Commissioner Kevin Martin
Sam Feder, Legal Adviser to Commissioner Martin
Carol Matthey, Deputy Chief, Common Carrier Bureau
Katherine Schroder, Chief, Accounting Policy Division
Anita Cheng, Accounting Policy Division
Paul Garnett, Accounting Policy Division
Gregory Guice, Accounting Policy Division
William Scher, Accounting Policy Division



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January 15, 2002

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Dorothy Attwood,
Chief, Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

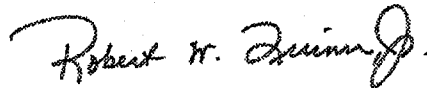
Re: Ex Parte - Federal-State Joint Board on Universal Service, CC Docket No. 96-45; 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, CC Docket No. 98-171; Telecommunications Services for Individuals with Hearing Speech Disabilities and the Americans with Disabilities Act of 1990, CC Docket No. 90-571; Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size, CC Docket No. 92-237, NSD File No. L-00-72; Number Resource Optimization, CC Docket No. 99-200; and Telephone Number Portability, CC Docket No. 95-116.

Dear Ms. Attwood,

Although the Commission did not grant AT&T's waiver request in December, AT&T respectfully renews the request that the Commission to allow AT&T to use projected revenues (see December 13, 2001 *Ex Parte*) as the basis for the remainder of its USF payments (February forward) until such time as a permanent solution could be put in place to eliminate the "lag effect" caused by the use of six-month old revenue data. On December 18, 2001, AT&T filed an *ex parte* letter demonstrating the schedule of activity necessary to accommodate AT&T's request to use projected revenues as the basis of determining its USF contribution. While the dates necessary to effect that change for January have passed, the Commission can grant AT&T's waiver up until January 18, 2002 to be effective February 1, 2002 (See Attachment 1). If the Commission cannot act by January 18, 2002 action before February 1, 2002 should allow for implementation effective March 1, 2002. (See Attachment 2)

If AT&T's request to use projected revenues is granted effective February 1, 2002, AT&T will be able to reduce its charge to residential consumers to 9.2% until the end of the second quarter 2002.¹ As described in AT&T's previous *ex parte*, AT&T would be subject to a true-up procedure to account for any variations between its projection and the actual revenues achieved during the first quarter. The implementation of this "mid-quarter" change will result in eliminating the competitively harmful and discriminatory impact of the lag on AT&T's customers. Allowing AT&T to make this change now will not jeopardize the fund, nor does it interfere with USAC's schedule for receipt of contributions in the first quarter.

Sincerely,



cc: Chairman Michael Powell
Kyle Dixon, Legal Adviser to Chairman Powell
Commissioner Kathleen Abernathy
Matthew Brill, Legal Adviser to Commissioner Abernathy
Commissioner Michael Copps
Jordan Goldstein, Legal Adviser to Commissioner Copps
Commissioner Kevin Martin
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William Scher, Accounting Policy Division

¹ AT&T's December 13, 2001 *ex parte* stated that if the USF assessment factor for the first quarter 2002 rose to approximately 7.0%, AT&T would be able to lower its USF collection rate to 9.0%. Assuming a similar rise in the first quarter 2002 assessment factor due to AT&T's use of projected revenue plus the slight increase in the USF factor now anticipated for the second quarter 2002, AT&T would be able to lower its collection rate from 11.5% to 9.2% to be in effect through the end of the second quarter. If the Commission believes that there will be no increase in the assessment factor from the first quarter to the second quarter, AT&T's collection rate would be 9% through the end of the second quarter 2002.

Attachment 1

OPERATIONALIZING AT&T's WAIVER REQUEST Effective February 1, 2002

- AT&T files projections of revenues for the 1st Quarter of 2002 with USAC (Prospective 499Q) – 1/16/02.
- USAC recalculates the revenue assessment rate for the 1st Quarter of 2002 by replacing AT&T historical revenues with AT&T projected revenues for the quarter – 1/17/02.
- FCC grants AT&T waiver by January 18, 2002 and authorizes new revenue assessment rate for the 1st Quarter of 2002.
- Carriers revise their collection rates to reflect the new assessment rate – 2/1/02.
- USAC bills respective Carriers based on their submissions according to the current billing schedule adjusted for January payments based on current assessment rate – February 15, and March 15.
- All carriers remit remaining contributions according to current payment schedule – March 15, and April 15.

OPERATIONALIZING AT&T's WAIVER REQUEST
Effective March 1, 2002

- FCC grants AT&T waiver by February 1, 2002.
- AT&T files projections of revenues for the 1st Quarter of 2002 with USAC (Prospective 499Q) – within 24 hours of FCC action.
- USAC recalculates the revenue assessment rate for the 1st Quarter of 2002 by replacing AT&T historical revenues with AT&T projected revenues for the quarter within 48 hours of AT&T's filing.
- FCC Authorizes new assessment rate for the 1st Quarter no later than February 15, 2002.
- Carriers revise their collection rates to reflect the new assessment rate – 3/1/02.
- USAC bills respective Carriers based on their submissions according to the current billing schedule adjusted for January and February payments based on current assessment rate –March 15.
- All carriers remit remaining contributions according to current payment schedule – April 15.